

Contemporary Issues in Business, Management and Education 2013

The role of public relations in branding

Lenka Mikáčová^{a*}, Petra Gavlaková^a

^a *University of Žilina, Faculty of Operation and Economics of Transport and Communications, Univerzitná 1, 010 26 Žilina, Slovakia*

Abstract

Public relations are increasingly about communicating credibly with key audiences who affect business results, such as media analysts, policymakers and policy influencers, customers and shareholders. It is an important element in supporting the power and value of an organization's brands to all stakeholders. All the elements of corporate brand, from tone and personality, functional and emotional benefits, core message and end goal, to its reputation – if fully leveraged with internal and external audiences – can help raise performance and credibility. Enhancing the awareness understanding and commitment to a brand through public relations is usually an essential part of any overall strategy aimed at sustaining and raising standards of performance and credibility.

© 2014 The Authors. Published by Elsevier Ltd. Open access under [CC BY-NC-ND license](https://creativecommons.org/licenses/by-nc-nd/4.0/).

Selection and peer-review under responsibility of the Contemporary Issues in Business, Management and Education conference.

Keywords: brand; public relation; marketing; branding; social media.

1. Introduction

Public relations are generally associated with communication activities designed to craft and preserve and organization's image and relationship with its public. Recently, the role of organizational public relations has expanded as evidenced in the blurring of once precise boundaries between public relations, advertising, and marketing communications activities. The convergence of these communication activities are in response to an evolving business environment characterized by a "loss of shareholder value and declining customer confidence and organizational support" which, in turn, had led many organizations to reexamine their core communication processes and ways of doing things. This communication convergence involving public relations has also been

* Corresponding author. Tel.: 00421 41 513 32 27.

E-mail: lenka.mikacova@fpedas.uniza.sk

driven by corporate belt tightening in response to the current economic recession. For example, American Airlines, one of the world’s largest air carriers, believes that public relations can help to maximize shrinking advertising budgets in tight economic times (Bush, 2009).

Another factor has been the exponential growth in social media fueled by consumer demand. Serving again as an example, American Airlines believes the integration of marketing and public relations activities is primarily the result of the arrival and acceptance of social media and an increased social consciousness by consumers (Bush, 2009). Recent research also reflects these sentiments. Specially, a Text 100 Global Public Relations study relations may be more important than advertising to brand value (New Study, 2010). In general, these are evidence within the current marketplace that “clients are looking for integrated programs and consistent brand messaging across every point of contact with their customers” (Baruzzi, 2010).

2. The brand

A brand is far more than a visual symbol and memorable tag line; it anchors the mission and vision, operating principles and tactics of an organization. Skinner defined a brand as” a name, term, design, symbol, or any other feature that identifies one seller’s good or service as distinct from those of other sellers.” (Skinner, 1994) A brand goes beyond programs, services, and products, displays; rather, it encompasses everything else about an organization including reputation, culture and core values. As such, it is not simply advertising or marketing. Branding has been referred to as a messaging instrument which helps the business reach its goals and encompasses the promotion of everything associated with the business (Fritz, 2011).

The functions of brand include creating an identification and brand awareness; guaranteeing a certain level of quality, quantity, and satisfaction; and, helping with promotion (Onkvisit & Shaw, 1997).

The brand can also serve as an organization’s spokesperson as part of that organization’s search of legitimacy. The brand affects consumer attitude and perceptions toward the product and, especially applicable to public relations, toward the organization that produces the product. No longer isolated to for-profit business, the past decade has witnessed brands increase in prevalence and importance in the area of sport, politics, culture, and non profit segments.

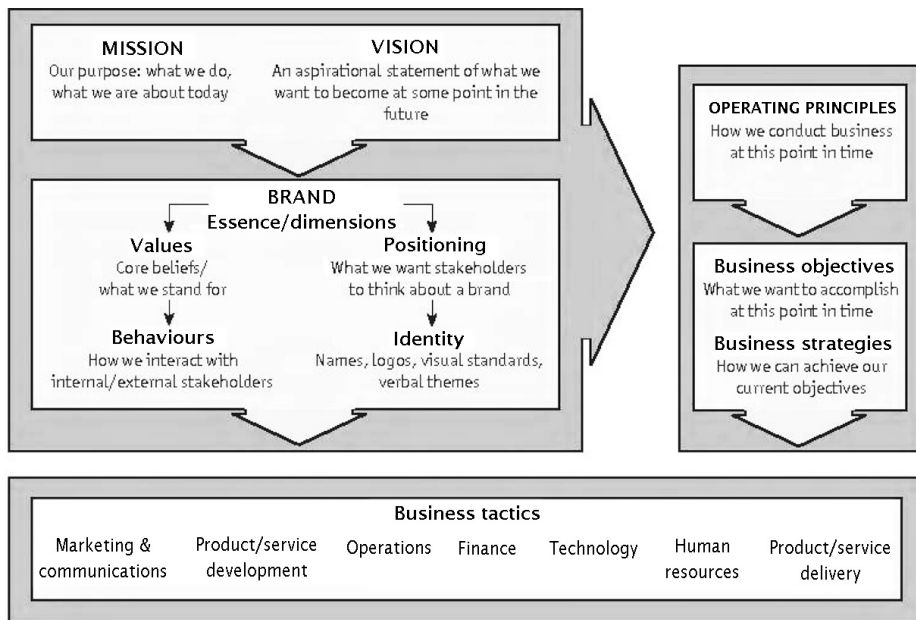


Fig. 1. Brand organizational context
Source: Clifton & Simons (2003)

Internally, the brand is central to all decisions, actions and values, thus enabling employees to deliver the brand promise. The internal and external messages about the brand must tell the same story and be seen as part of the same narrative, and they should relate to the following:

- Values – the organization’s core beliefs; what it and the brands stand for.
- Behaviors – how the organization interacts with internal and external stakeholders.
- Positioning – what the organization wants stakeholders to think about a brand.
- Identity – names, logos, visual standards, verbal themes.

A brand’s value can be judged by an organization’s performance and that depends on interconnections. Recognizing and reinforcing a brand’s interconnections with and organization’s culture and performance through a communications campaign focused on employee alignment with business results and reputation can have powerful effects.

Brand identity must be built from within, across geographies, levels and functions. The notion of winning culture is reinforced over time through recruitment, training, structure, reward and recognition aligned with the brand dimension of values, employee behaviors, external positioning and symbols.

Brand-based values rather than vacuous slogans help people to “walk the talk”, and defined behaviors, relevant to individual employees’ day-to-day life, bring these brand-based values to life. Creating a community of employees who share an understanding of these values and behaviors brings a vibrancy and momentum to an organization and helps focus people on the need of for consistently high standards of performance. This is the source of customer satisfaction and corporate reputation.

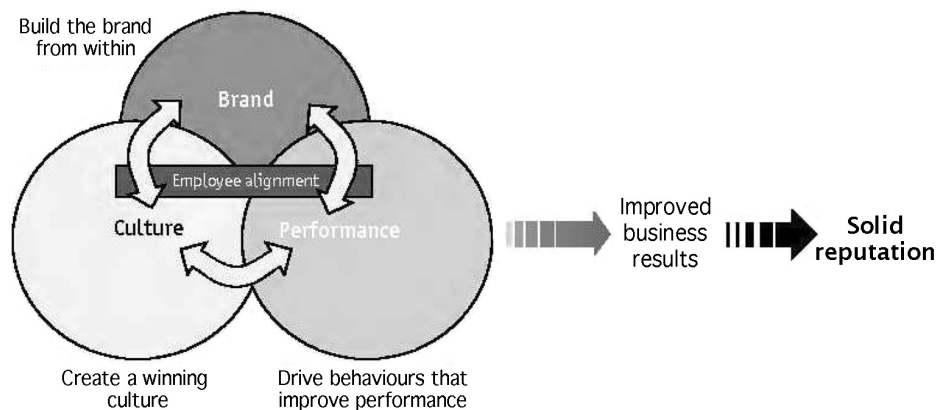


Fig. 2. Brand organizational linkages
Source: Clifton & Simons (2003)

2.1. The linkage with performance and reputation

High performance organizations share certain characteristics at every location and level:

- Focus – a few key measures of success are clearly understood.
- Unity of purpose – a “one company” mentality with everyone pulling together.
- Energy – a sense of urgency, often emanating from the desire to fulfill a customer need.
- Agility – an ability to adapt to a changing business environment.
- Learning – a desire to share knowledge and the organizational infrastructure to enable knowledge to be shared.
- Identity – an individual and collective identification with an organization’s mission, values, business and brand promise.

If all the above characteristics are fostered, high standards of performance can be sustained even in the face of fierce competition. High reputation organizations share certain robust drivers of reputation. For example, companies on Fortune's Most Admired Companies list are rated by surveying perceptions of their reputation drivers among industry analysts, directors and managers. These drivers include:

- quality of management;
- quality of products and services;
- innovativeness;
- value as a long-term investment;
- soundness of financial position;
- wise use of corporate assets;
- ability to attract, develop and keep talented people;
- responsibility to the community and environment.

These drivers are given different weight and priority in different industries. But it is fair to say that they are perceived as strong or weak in a particular corporation based not only on actual financial performance, but also on perception of management reputation and credibility, and commitment to human assets and community relationships. A brand that is consistently perceived as representing high standards of quality and integrity is a strong and valuable brand.

Brand-owning organizations that are highly regarded share certain things:

- Leadership – recognition that the brand is personified by the CEO and whole senior manager team.
- Pride – an appreciation that individual employee pride leads to collective quality.
- Innovation – evidence that sharing of ideas and responsibility for taking risks is encouraged and rewarded.
- Long-term view – a focus on what is right in the longer term rather than what is expedient in the short term.
- Citizenship – an organizational commitment to acting as good citizen.
- Talent – recognition that talent must be valued and nurtured.

2.2. *Branding vs. marketing*

There is a common misconception that branding and marketing are synonymous term. That is not the case. Marketing is differentiated as “the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives” (Skinner, 1994).

While the role of marketing and concepts of marketing and concepts of marketing and market planning have not changed in the current business environment, manner in which businesses and their customers communicate has changed dramatically. Central to this perspective is the recognition that marketing communication in the current business environment is now a two-way process. Social media greatly encourages and facilitates this manner of communication. While the rapid expansion of the Internet and associated social media platforms present organizations greater opportunities to connect with publics, this channel expansion also requires organizations to monitor their electronic brand, i.e., what people are saying online about their brand (Merendith, 2010).

Equally as important has been a raised social consciousness among consumers facilitated in large part by social media. In this respect, Finchum signaled the increasing trend of the consumer expectation of brands to “stand for something beyond their own attributes” (Finchum, 2010).

3. **The role of public relations in branding**

The role of organizational public relations is expanding with the changing times: “Public relations doesn't just focus on your business product; it also assists in shaping strategic messaging” (Benyman, 2010).

Consistent with this line of reasoning, Winchel cautioned that brands are “being evangelized, dismissed, measured and documented in real time” and admonished business to “join the conversation” in social media, “a mission perfectly suited for public relations professional” (Winchel, 2010).

It is proposed herein that the role of public relations role in brand management is two fold:

- As a creator of narrative, i.e., the conversation.
- As the purveyor of the medium to facilitate the conversation, i.e., social media.

3.1. *The narrative*

The current business environment is characterized by consumer cynicism and a loss of consumer trust and confidence, a situation poignantly describes by Moxham as the “faltering of the old-fashioned trust economy” (Moxham, 2008).

An example of growing cynicism by consumers are found in the findings of a Starcom USA 2005 research study that revealed 65 % of magazine readers believed that the advertisers pay to have product placed or featured in magazine articles (Starcom Study, 2005). This represents a significant change in consumer attitudes and perceptions because, historically, media placement been viewed by consumers as more credible and lacking subterfuge.

Hynes also pointed out that “one of the notable characteristics of this economic downturn is a focus on transparency” (Hynes, 2009).

To this end Finchum warned that business reputations are now “more fragile than ever” and emphasized the importance of word-of-mouth in the “brand conversation” given the rise in social media (Finchum, 2010). Consumer-related and product-related issues are freely discussed among consumer communities of interest in the blogosphere in what is now conversation economy.

As such, the concept and practice of business authenticity has become even more important to the success of business. Hynes believed that the authenticity to elevate a brand should come from public relations (Hynes, 2009). Allen pointed out the existence of connection between authenticity and storytelling (Allen, 2005). Storytelling has a role in almost every aspect of the organization and leading research had shown the importance of the narrative in branding. Completing this thread is the fact of public relations profession has a heritage in storytelling.

McLellan pointed out that stories provide a medium of communication to customers and reported a growing organizational use of stories as a public relations and marketing tool (McLellan, 2010).

Along this line, the narrative “is increasingly recognized as central in branding” and has even been referred to as the “unsung hero of successful branding initiatives in any industry” (Denning, 2006).

The objective of branding is to communicate who the organization is and requires a story that is usually told by the product or service itself or by the customer word-of-mouth of by a credible third party. The result has been “brand storytelling- that is, blending the branding value of advertising, the credibility of public relations and the measurability and ROI of online tactics” (PR news, 2009).

The narrative is powerful communication method that has always been a public relations competency and public relations at its core is the art of storytelling (Moxham, 2008). While it has been argued that public relations role in branding is more commercialism than journalism. Storytelling fits the traditional public relations role of creating connections with its publics through relationship and trust building. And given the conversation economy, the focus has become an organization’s connections with its public rather than the organization itself (Schipul, 2009). Social media provides the communication medium for such connections to occur.

3.2. *The social media*

The media is constantly pressured to compromise its impartiality. For one thing, there is a constant need to produce news, sometimes 24 hours a day, 7 days a week. In addition, they are owned by mega-sized corporate entities that are in the business primarily to generate profit: the press survives by selling airtime and print space to advertisers.

These factors together, in addition to any bias internal to the culture of the media entity itself, leave the media vulnerable to press releases and other prepackaged content put together by private agencies hoping to get the word out about their clients, especially if those clients are willing to underwrite advertising time and space. People are not stupid. When a television segment on health is sponsored by the same entity that is featured in it, it causes the media producer that aired to lose credibility.

If the media is compromised in terms of its trustworthiness, then Ries to Ries' argument falls apart: no credibility = no brand.

The growth and popularity of social media has also changed the game for advertisers and marketers. Because social media is receiver-oriented and involves having two-way conversations, it is diametrically opposite of the traditional one-way, sender-oriented concept of advertising and marketing communications. This source or sender-oriented communication focuses attention on the sender's publics. Specifically, sender-oriented communication theory assumes that message design is the key to communications success and that the communication of the message occurs because sender intends it as such.

In the traditional one-way, sender-oriented marketing and advertising communication protocol, communication occurs because the sender intends it to occur, that message design is the key to successful communication of the message, and that communication has not occurred if the receiver doesn't understand the meaning of the message (Stidsen, 1975).

This process is commonly referred to as the one-way model of communication involving only the speaker's action is believed it to be the most widely held view of communication. Also referred to as the transmission view, it is inherent in most people's thinking and is the most common communication perspective in Western culture (Heide, 2009).

While this change appears to have still confounded some marketing and advertising practitioners, such is not the case with public relations. As skilled relationship-builders, public relations practitioners are highly proficient in the art of the two-way conversation and as such, bring significant value to a branding initiative.

The social media is one of the many areas of corporate business areas in which organization's public relations department can assist. Theoretically speaking, "Foucault's work on recreating the self can be deployed to theorize and critique the role of public relations practitioners in identity work or branding for individuals or organizations" (Motion & Leitch, 2009).

From more practical standpoint, there has been recent advocacy by the public relations profession of the public relations department to assume ownership of an organization's social media effort (Subervi, 2010). It makes considerable sense given the proficiency and skill that public relations possess in two-way conversations and meaning-making.

4. Brand and reputation: Coca-Cola

A brand can embody all the above if there is a conscious choice to broaden its meaning beyond product benefits in order to connect with stakeholders in a holistic way. Public relations can help make that connection a wide range of activities, as the following examples demonstrate.

Coca-Cola, a global beverages company which owns one of the world's most famous brands, faces a number of challenges to its reputation as a result of increased antagonism to global brands, especially those so strongly identified with the United States.

Coca-Cola has taken several steps to recover any loss of reputation it has suffered. On obesity, which some have attempted to link to soft drinks, the company and its bottling partners has emphasized the choice of diet and other drinks. Its guidelines say that there should be no overt marketing of soft drinks to children who are 12 or under, vending machines offer a portfolio of beverages (soft drinks, water, fruit juice), and sponsored programmes in schools reinforce an active lifestyle.

As far as anti-Americanism is concerned, Coca-Cola may be an American brand, but its philosophy and the way it operates are international. Outside the USA it has local managers and employees and takes care to demonstrate good local citizenship.

Doug Daft, Coca-Cola's CEO, states in company's annual report: "The values that underpin our success are integrity, quality, accountability, and diversity, relationships based on our respect for the communities where we do business and for the environment. People know what to expect from Coca-Cola Company precisely because we have always lived by our values. When a consumer enjoy bottle of Coke, when people invest in us, when partners do business with us, or when we operate in a community, we keep our promise to benefit and refresh them. We create value – economic and social – reliably and predictably. Today more than ever, these values are essential for long-term success. We understand this, and are committed to achieving our business goals in combination with ethical management, the health of our communities, and the responsible use of natural resources" (Daft, 2002).

4.1. Coca-Cola: in celebration of a promise

Pure celebration is on of Coca-Cola's everyday messages. The task of public relations is not to echo the marketing message, but to build on it through a range of stories that might involve local relationships, marketplace innovations, and corporate responsibility and business result. PR should connect the dots between the product and citizenship, bottlers and community relationships.

Doug Draf, the CEO, explains: "Some people say our business is selling soft drinks. Other would say that our business is creating a special moment of refreshment, an experience. After more than 30 years of working in the great company, I would say our business is building relationships. These relationships must be based on mutual benefit, trust and shared values. This is the essence of the Coca-Cola promise. Ensuring that we operate as a good corporate citizen is essential – to the strength of our brands, to the value we built for our share owners and to our success as a company. Building a bright future for our business rightfully includes a commitment to helping build healthy, sustainable communities" (Daft, 2002).

Ways that Coca-Cola builds its relationships and reputation include:

- Associations with a world of sports. Coca-Cola is the longest continuous sponsor of the Olympic Games, starting in 1928. Coca-Cola and its bottling partners support more than 50 sports in 200 countries, from grassroots soccer clinics in the Philippines to international competitions such as the World Cup.
- Through PR, highlighting innovation in connection with new products, techniques and technologies. In Asia alone, 21 new products were introduced in 2001, including fruit juices, waters, energy drinks, teas and coffees.
- Forming alliances with those who seek solutions to environmental challenges, such as the World Wildlife Federation and National Geographic Society.

Managing the array of public relation opportunities requires a disciplined approach:

- A worldwide team of corporate communications professionals linked through technology that is fully aware of what Coca-Cola's position and message are on scores of issues.
- Constant multinational dialogue and examination of "local" issues which can become "global" issues.
- A clear understanding of worldwide, major media perceptions and relationships.
- And increasingly tighter linkage between marketing and PR objectives.
- Consistent image and messages wherever they are to appear from the annual report to a report on citizenship to regional employee publications.
- A redesigned intranet site highlighting continuously updated facts and corporate points of view on complex issues.
- The credibility and value of the corporate communications function underscored by reporting of results (Clifton & Simons, 2003).

Clearly, Coca-Cola manages all the challenges to its reputation successfully as the company consistently stands at the third place of worldwide lists of corporate brands ranked by value. It also leads in its industry on measures of long-term value. (<http://interbrand.com/en/>)

5. Conclusion

Public relations gives “legs” and life to brand attitudes and the essential brand promise by telling credible stories and providing support for the truth of a brand’s advertising images. This is all the more important in an evolving media and business environment.

Although public relations is used for a wide variety of purposes in organizational communication, that of the representation of the organization, its goals, and its self-understanding has been increasingly influential with publics. This has become increasingly important given the marketplace transition to a consumer-driven, conversation economy characterized by two-way conversations between consumers and between consumer and organization. Moreover, there is increasing social consciousness among consumers who now place more emphasis on what an organization is about rather than simply what that organization produce in the form of services or products. Moreover, widespread consumer cynicism and loss of consumer trust and confidence driven by events of the past decade have forced business to reexamine their marketing and advertising communication strategies. One outcome has been integration of the public relations department into organizational branding initiatives.

The proliferation of television channels and niche magazines, the easy availability 24 hours news and the exponential growth of the internet mean that organizations have no place to hide. They have to be up to the mark, ready to rebut damaging stories, and they must always make sure that they get their message across. The reality is that, according to Harris research, companies in the top 200 of Fortune’s Most Admired Companies list spent twice as much on public relations as those in the bottom 200.

All this illustrates how important public relations is to brand strategy and to building and sustaining corporate reputation. The development of a successful public relation strategy involves four elements:

- Identification of the various attributes and characteristics of the brand; for example, its values and supporting behaviors, its positioning and identity. Once these have been identified an assessment must be made of their implications with regard to an organization’s culture and opportunities for motivating performance. Then a public relations platform can be built on the brand’s attributed, characteristics and promise.
- The perception of all external stakeholders must be assessed. This should extend beyond perception about products to include such drivers of reputation as leadership, innovation, financial value, quality of management and corporate citizenship.
- The corporate communications function should use the brand’s attributes and characteristics internally to inform employees of the company’s positioning on different issues to support change initiatives to underscore credibility in crisis and to guide behavior.
- An annual, measurable public relations plan should be created, anchored by the brand promise, with the objectives of shaping key audiences’ perceptions of leadership, customer connections, marketplace innovation and corporate responsibility.

References

- Allen, K. (2005). Organization storytelling: Are you missing an opportunity to distinguish your goods and services in a crowded market place? *Franchising World*, 37(11), 63–64.
- Baruzzi, C. (2010). PR, marketing firm integrates operations under 1 name. McClatchy-Tribune Business News. Retrieved from: ProQuest Newsstand. Document ID: 2007352211.
- Benyman, N. (2010). PR defined as brand reputation management; expert view with Nyssa Berryman, Sunshine Coast Daily. Available online at: http://www.theprrreport.com.au/wp-content/uploads/2010/06/The-PR-Report_AUGUST-2010_revised.pdf.
- Bush, M. (2009). How PR have shifted towards center of marketing departments, *Advertising Age*. Available online at: http://adage.com/cmstrategy/article?article_id=139140
- Clifton, R., & Simons, J. (2003). Brands and Branding. London: Profile Books Ltd., 144–145.
- Daft, D. N. (2002). New value is taking shape. Available online at: http://cocacolaweb.online.fr/rapports_annuels/2002/2002_2.pdf.
- Denning, S. (2006). *Effective storytelling: strategic business narrative techniques*, *Strategy & Leadership*, 34(1), 42–48.
- Fichchum, M. (2010). Public relations trends to watch for in 2010. *Corridor Business Journal*, 6(25), 16.
- Fritz, J. (2011). 5 steps to defining your nonprofit’s brand, About.com. Available online at: <http://nonprofit.about.com/od/nonprofitpromotion/fr/branding.htm>.

- Heide, M. (2009). On Berger: A social constructionist perspective on public relations and crisis communications. In O. Ihlen, B. Van Ruler, & M. Fredriksson (Eds.). *Public relations and social theory: Key figures and concepts*. New York: Routledge, 41–61.
- Hynes, A. (2009). Bridging the trust gap, *The Public Relations Strategist*, 15(4), 22.
- McLellan, H. (2002). Introduction to corporate storytelling. Available online at: <http://tech-head.com/cstory1.htm>.
- Meredith, B. (2010). Making sense of the marketing chaos, *NZ Business*, 24(4), 71.
- Moxham, A. (2008). Tell the story without spin. *Marketing: PR Essays*, 7. Retrieved from: Platinum Periodicals. Document ID: 1617112711.
- Motion, J., & Leitch, S. (2009). On Foucault. In O. Ihlen, B. Van Ruler, & M. Fredriksson (Eds.), *Public relations and social theory: Key figures and concepts*, New York: Routledge, 81–99.
- New study shows public relations is more powerful than advertising in building brand value. (2009). Text 100 Global Public Relations Current News. Available online at: <http://globalink.globalpresspr.com/blog/2009/04/>
- Onkvisit, S., & Shaw, J. (1997). *International marketing: Analysis and strategy* (3rd ed.). Upper Saddle River, NJ: Prentice-Hall, Inc.
- PR News (2009). How to maximize the convergence of PR and marketing in the realm of social media. Available online at: <http://www.prnewsonline.com/subscription/2009/09/21/how-to-maximize-the-convergence-of-pr-and-marketing-in-the-realm-of-social-media>.
- Rucci, A. J., Kim, S. P., & Quinn, R. T. (1998). The Employee Customer Profit Chain at Sears. *Harvard Business Review*.
- Schipul, E. (2009). Social media programs: Cultivate don't control. *Public Relations Tactics*, 16(1), 12.
- Skinner, J. (1994). *Marketing* (2nd ed.). Boston: Houghton Mifflin Co.
- Starcom study yields rules for print product placement (2005). [Online Press Release from Starcom MediaVest Group]. Available online at: http://www.smggroup.com/news_popup.asp?pr=1388.
- Stidsen, B. (1975). Market segmentation, advertising and concept of communications systems, *Journal of the Academy of Marketing Science*, 3(1), 69–84. <http://dx.doi.org/10.1007/BF02729959>
- Subervi, A. (2010). Who should own social media? *Public Relations Tactics*, 17(11), 6.
- The best global brands in 2013. Available online at: <http://interbrand.com/en/best-global-brands/2013/Best-Global-Brands-2013.aspx>.
- Winchell, K. (2010). Writing the conversation: How social media is redefining PR's content creation, *Public Relations Tactics*, 17(2), 10.